

Utah Department of Environmental Quality

Division of Solid and Hazardous Waste

Used Oil Program Fact Sheet



May 2011

CLEANUP AND CLOSURE OF USED OIL FACILITIES

General Information **Cleanup and closure** is the term used to refer to the process of taking a used oil unit or facility out of service and properly cleaning up or decontaminating the unit or facility and any areas affected by releases of used oil. The administrative requirements for cleanup and closure of Used Oil Facilities are in Section R315-15-11 of the Utah Administrative Code (the Rules).

Permitted Facilities Under the Rules, used oil processors/re-refiners, transfer facilities, and off-specification burners must have operating permits and must eventually go through cleanup and closure.

The result of cleanup and closure is full removal of all used oil and full removal or decontamination of all structures, equipment, debris, environmental media (such as soil and groundwater), and other materials affected by any release of used oil.

Closure Plans A written closure plan and associated financial mechanism documents must be submitted to the Executive Secretary for review and approval during the permitting process.

An approved closure plan should be in place during the operating life of a facility and should be updated as facility conditions and/or anticipated closure activities change.

A closure plan should include, but is not limited to: 1) A description of the closure process, 2) Procedures for removal of used oils and residues, 3) Procedures for inspecting units after used oil and residues are removed, 4) Removal and decontamination procedures for contaminated structures, equipment and environmental media, 5) Procedures for sampling and analysis 6) an estimate of the closure time line and 7) an estimate of the cost to cover cleanup and closure.

According to the closure performance standard, found at Section R315-15-11.1, an owner or operator of a used oil collection, aggregation, transfer, processing/re-refining, or off-specification used oil burning facility shall reclaim the site of operation to a post-operational land use in a manner that: 1) Minimizes the need for further maintenance, 2) Controls,

minimizes, or eliminates the, post-closure escape of used oil, used oil constituents, leachate, contaminated run-off, and used oil decomposition products, to the ground, surface waters or atmosphere.

Closure Schedule and Timeline

The owner or operator shall initiate closure in accordance with the approved cleanup and closure plan and notify the Executive Secretary:

- 1) Within 90 days after the owner or operator receives the final volume of used oil; or
- 2) The Executive Secretary revokes the facility's used oil permit.

During cleanup and closure, or at any other time the Executive Secretary determines that the owner or operator has failed to comply with Rule R315-15, the Executive Secretary may after 30 days, on written notice to the owner or operator, draw upon the financial mechanism associated with the cleanup and closure plan.

Within 60 days of completion of cleanup and closure, the owner or operator shall submit to the Executive Secretary, by registered

mail, a certification that the facility or unit has been cleaned and closed in accordance with the specifications in the approved cleanup and closure plan. In addition, the closure certification should be signed by the owner/operator and by an **independent, Utah registered professional engineer**.

Non-permitted Facilities **DIY collection centers**, other collection centers, and aggregation points are required to cleanup and close under the requirements of Section R315-15-11.1, but such facilities are **not** required to have a written closure plan.

Financial Responsibility for Cleanup and Closure

All used oil management facilities eventually will close and costs for carrying out the cleanup and closure will be incurred. Therefore, the necessary funds for cleanup and closure must be available throughout the life of the facility so that funds are available in a timely manner when the need occurs to carry out cleanup and closure whether planned or unplanned.

Written closure plans serve as the basis for an **estimate of closure costs**. All permitted used oil facilities must estimate closure costs and meet requirements to assure that they can pay for closure should it become necessary.

The amount of required financial responsibility is the amount of the cleanup and closure cost estimate calculated according to assumptions of the most expensive point in the facility's operating life, third party costs to conduct the closure, no salvage value or zero costs of used oil, residues, equipment land or

structures and reliable unit cost data for specific closure tasks.

Owners/operators are reminded that the full amount of the cleanup and closure cost estimate does not necessarily have to be spent to achieve cleanup and closure as long as the closure performance standards are met.

Liability Coverage for accidental occurrences, such as fires and spills, is required for permitted used oil facilities, pursuant to Section 19-6-710 of the Used Oil Management Act. Collection centers and aggregation points are also required to have liability Coverage, unless waived by the Executive Secretary. Standard wording for liability coverage documentation for insurance certification and endorsement is specified in Section R315-15-17.

Mechanisms for Financial Responsibility for Cleanup and Closure

As described in Section R315-15-12.3(b), owners/operators of used oil management facilities can choose from among the following four financial mechanisms to demonstrate financial responsibility for cleanup and closure: 1) **trust fund**, 2) **surety bond** guaranteeing payment, 3) irrevocable **letter of credit** or 4) **insurance**. The choice of which financial mechanism to use is up to facility owners/operators. Standard wording for financial mechanisms documentation for cleanup and closure is specified in Section R315-15-17.

Oversight and Approval Used Oil Program staff oversee closure activities and the Executive Secretary determines when closure

is complete. In addition, the Executive Secretary approves closure plans, cost estimates and financial responsibility mechanisms and liability coverage and reviews and approves final certification of completion of closure activities.

Used oil facility owners/operators are encouraged to work closely with Used Oil Program staff when developing closure plans and conducting cleanup and closure activities to understand the substantive and technical requirements for what must be accomplished.

Additional Information:

This fact sheet contains a summary of the clean up and closure process. More detailed information is in the document: *Guidance for Cleanup and Closure of Used Oil Facilities*, a copy of which can be found at

www.usedoil.utah/UsedOilSection.htm

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